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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
14/203,382	03/10/2014	Mark Carlson	79900-903397	7647

66945 7590 01/23/2018
KILPATRICK TOWNSEND & STOCKTON LLP/VISA
Mailstop: IP Docketing - 22
1100 Peachtree Street
Suite 2800
Atlanta, GA 30309

EXAMINER

CHANG, EDWARD

ART UNIT	PAPER NUMBER
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3696

NOTIFICATION DATE	DELIVERY MODE
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01/23/2018

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte MARK CARLSON and SHALINI MAYOR

Appeal 2016-004387¹
Application 14/203,382²
Technology Center 3600

Before HUBERT C. LORIN, CYNTHIA L. MURPHY, and
TARA L. HUTCHINGS, *Administrative Patent Judges*.

HUTCHINGS, *Administrative Patent Judge*.

DECISION ON APPEAL

This is an appeal under 35 U.S.C. § 134 from the Examiner’s final rejection of claims 32–40. We have jurisdiction under 35 U.S.C. § 6.

We AFFIRM.

¹ Our Decision references Appellants’ Appeal Brief (“App. Br.,” filed Sept. 1, 2015) and Reply Brief (“Reply Br.,” filed Mar. 17, 2016), and the Examiner’s Answer (“Ans.,” mailed Jan. 20, 2016), and Final Office Action (“Final Act.,” mailed Dec. 1, 2014).

² Appellants identify “Visa International Services Association” as the real party in interest. App. Br. 3.

CLAIMED INVENTION

Appellants' present invention relates to "enabling a consumer to obtain advice or information regarding a transaction in response to a request from the consumer." Spec. ¶ 2. Claims 32 and 38 are the independent claims on appeal. Claim 32, reproduced below, is illustrative of the subject matter on appeal.

32. A method of obtaining additional information regarding a payment transaction, the method comprising:

- receiving, by a communications device, a transaction alert message associated with the payment transaction, the transaction alert message being generated by a server computer in response to the server computer receiving an authorization message for the payment transaction, the server computer processing the authorization message to determine if data contained in the authorization message satisfies a condition specified by a consumer participating in the payment transaction for generating the transaction alert message;

- receiving, by the communications device, an input for additional information from the consumer participating in the payment transaction;

- generating, by the communications device, a request for the additional information;

- sending, by the communications device, the request for the additional information regarding the payment transaction to the server computer, the server computer processing the request from the consumer to determine the additional information regarding the payment transaction that can be provided to the consumer;

- receiving, by the communications device, a response message comprising the additional information from the server computer, wherein the additional information is information that is not included in the authorization message or in the transaction alert message; and

- providing, by the communications device, the additional information to the consumer.

REJECTION

Claims 32–40 are rejected under 35 U.S.C. § 101 as reciting only ineligible subject matter in the form of an abstract idea.

ANALYSIS

The Supreme Court in *Alice* reiterated a two-step framework, set forth previously in *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 75–77 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of these concepts.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2355 (2014). The first step in that analysis is to “determine whether the claims at issue are directed to one of those patent-ineligible concepts.” *Id.* If they are, the second step is to analyze whether the claim elements, either individually or as an ordered combination, contain an “‘inventive concept’” that “‘transform[s] the nature of the claim’ into a patent-eligible application.” *Id.* (quoting *Mayo*, 566 U.S. at 72–73, 78).

The Court acknowledged in *Mayo*, that “all inventions at some level embody, use, reflect, rest upon, or apply laws of nature, natural phenomena, or abstract ideas.” *Mayo*, 566 U.S. at 71. We, therefore, look to “whether the focus of the claims is on the specific asserted improvement in computer capabilities . . . or, instead, on a process that qualifies as an ‘abstract idea’ for which computers are invoked merely as a tool.” *See Enfish, LLC v. Microsoft Corp.*, 822 F.3d 1327, 1335–36 (Fed. Cir. 2016).

Here, in rejecting the claims under 35 U.S.C. § 101, the Examiner determines that the claims are directed to performing a series of steps to

obtain additional information regarding a payment transaction, which the Examiner characterizes as a method for organizing human activities, i.e., an abstract idea. *See* Ans. 3 (“the claims . . . [recite a] series of steps . . . performed . . . for the purpose of ‘obtaining additional information regarding a payment transaction’” and these steps relate to “managing relationships or transactions”); *see also* Final Act. 2 (“all the steps . . . are steps that can be performed by a human being . . . , therefore the claim is directed to an abstract idea”), 3 (the claims are “directed to the abstract idea of a method of organizing human activities”).

Independent Claim 32

We have reviewed Appellants’ arguments relating to whether claim 32 is directed to an abstract idea (*see* App. Br. 16–24; *see also* Reply Br. 2–4)³, yet we are not persuaded that the Examiner incorrectly characterizes claim 32 as being directed to an abstract idea.

Independent claim 32 recites a method for “obtaining additional information regarding a payment transaction” that is performed by a communications device performing a series of six steps: (1) receiving a transaction alert message associated with the payment transaction from a server computer, (2) receiving an input for additional information from the consumer; (3) generating a request for the additional information; (4) sending the request to the server computer; (5) receiving a response message comprising the additional information; and (6) providing the additional information to the consumer.

³ Regarding Appellants’ discussion of USPTO guidelines and training materials, our analysis is necessarily confined to a review of the record in light of controlling case law, statutes, and regulations.

Appellants' Specification provides that "prior to, during, or after a transaction[,], a consumer may have a question about some aspect of the transaction or desire advice or information about the product or service involved in the transaction." Spec. ¶ 3. For example, the consumer may want information to provide customer service feedback, to register a warranty or rebate, or about the merchant involved in the transaction. *Id.* The invention seeks to "enabl[e] a consumer to request information or advice regarding an aspect of a payment transaction and to receive a response to that request in a timely manner." *Id.* ¶ 4.

Thus, the invention plainly focuses on the problem of obtaining additional information regarding a payment transaction for a consumer — a problem that existed before the advent of computers, and is not a technical problem or one rooted in technology.

We agree with the Examiner that obtaining information for a consumer regarding payment transactions is a method of organizing human activity long prevalent in commerce. It is also a fundamental economic practice. There is no meaningful distinction between the concept of risk hedging in *Bilski* and the concept of obtaining additional information here. *See Bilski v. Kappos*, 561 U.S. 593, 599 (2010) ("Claim 1 describes a series of steps instructing how to hedge risk."). Like the claims in *Bilski*, the claims here recite a series of steps instructing how to obtain information for a consumer regarding a payment transaction, a long-standing economic practice and a method of organizing human activity. Independent claim 32, therefore, is directed to an abstract idea.

In addition, after the briefings in this case, the Federal Circuit held that claims involving "collecting information, analyzing it, and displaying

certain results of the collection and analysis” are “a familiar class of claims ‘directed to’ a patent-ineligible concept.” *Electric Power Grp., LLC v. Alstom*, 830 F.3d 1350, 1353 (Fed. Cir. 2016). The court explained that

[i]nformation as such is an intangible. Accordingly, we have treated collecting information, including when limited to particular content (which does not change its character as information), as within the realm of abstract ideas. In a similar vein, we have treated analyzing information . . . as essentially mental processes within the abstract-idea category. And we have recognized that merely presenting the results . . . is abstract as an ancillary part of such collection and analysis.

Id. at 1353–54 (citations omitted). Like the claims in *Electric Power Grp.*, claim 32 recites steps involving collection, analyzing, and displaying information (e.g., receiving, generating, sending, providing) that have been held to be abstract ideas. Also like the claims in *Electric Power Grp.*, claim 32 does not recite any assertedly inventive technology for performing the claimed functions performed. *See id.* at 1354 (“[t]he advance . . . [the claims] purport to make is a process of gathering and analyzing information of a specified content, then displaying the results, and not any particular assertedly inventive technology for performing those functions. They are therefore directed to an abstract idea.”). Stated another way, claim 32 focuses on a process that itself qualifies as the abstract idea for which computers are invoked merely as a tool, and not to any improvement in computer capabilities or technology. Thus, it is directed to an abstract idea.

Because we agree with the Examiner that claim 32 is directed to an abstract idea, the claim must include an “inventive concept” in order to be patent-eligible. Specifically, there must be an element or combination of elements that is sufficient to ensure that the claim in practice amounts to significantly more than the abstract idea itself. Here, the only additional

elements that appear *not* to belong to the abstract idea are generic computer components (e.g., “communications device,” “server computer”). *See DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014) (citing *Alice*, 134 S. Ct. at 2358) (“after *Alice*, there can remain no doubt: recitation of generic computer limitations does not make an otherwise ineligible claim patent-eligible”). Claim 32 does not describe any attributes of the communications device and server computer, aside from broadly recited functionality. Thus, the communications device and server computer do little more than provide a generic technological environment to allow users to obtain information, which is not sufficient. *See Intellectual Ventures I LLC v. Capital One Bank (USA)*, 792 F.3d 1363, 1366 (Fed. Cir. 2015) (“[a]n abstract idea does not become nonabstract by limiting the invention to a particular field of use or technological environment, such as the Internet.”)

Appellants argue that the claims “solve the technological problem of how to provide tailored information for a broad range of different types of transactions and consumer preferences in an efficient manner.” App. Br. 21. We disagree. The problem of providing information requested by a consumer related to a payment transaction is a business problem, not a technical problem. Moreover, nothing in the claim recites any new algorithm or technique for providing tailored information for a broad range of different types of transactions and consumer preferences. Instead, claim 32 merely focuses on the desired result of obtaining tailored information regarding a transaction couched in a particular technological environment having a “communications device” and a “server computer.”

Broadly construed, any familiar technique may be employed to perform the steps of receiving, generating, sending, and providing information.

We are not persuaded by Appellants' argument that the claims are analogous to the claims in *DDR Holdings* because claim 32 is "necessarily rooted in computer technology to overcome a problem arising specifically in the realm of computer systems and networks." *Id.* at 19–20. According to Appellants, a consumer "may want to know 'the name of a person they can contact,'" "how to go about . . . [the product registration] process," or where a merchant is located. *Id.* at 20. But "[e]xisting computer-implemented solutions" only send an electronic alert for a transaction and "do not allow a consumer to obtain additional information about the transaction." *See id.*

The problem Appellants describe, however, is not a problem peculiar to existing computer-implemented solutions for which there is no pre-computer analog, and it is not a technical problem. To the contrary, the economic or business practice of obtaining additional information regarding a payment transaction and providing the additional information to the consumer was established long before the advent of computers. It is among the oldest of economic practices. Appellants' invention improves upon the abstract process of obtaining information by adapting it for use in a particular technical environment having a communications device and a server computer.

We similarly are not persuaded by Appellants' arguments regarding preemption. App. Br. 24–28; *see also* Reply Br. 3–4. Although "preemption may signal patent ineligible subject matter, the absence of complete preemption does not demonstrate patent eligibility." *Ariosa*

Diagnostics, Inc. v. Sequenom, Inc., 788 F.3d 1371, 1379 (Fed. Cir. 2015). Where, as here, the claims are deemed only to recite patent ineligible subject matter under the two-step *Alice* test, “preemption concerns are fully addressed and made moot.” *Id.*

We agree with Appellants that there is no categorical ban on business method claims. *See* App. Br. 29; *see also* Reply Br. 5 (citing *buySAFE, Inc. v. Google, Inc.*, 765 F.3d 1350, 1354 (Fed. Cir. 2014)). However, the Examiner did not apply a categorical ban on Appellants’ claims. Instead, the Examiner applied the two-step *Alice* framework and determined the claims are patent-ineligible. Appellants argue that the Examiner did not consider the claims as an ordered combination in applying step two of the *Alice* framework. *See* Reply Br. 4–5 (citing *NRT Tech. Corp. v. Everi Payments, Inc.*, CBM2015-00167 (PTAB Jan. 22, 2016)); *see also* App. Br. 28. We disagree. The Examiner’s rejection expressly considers the elements of the claims individually and as an ordered combination, and determines that there is no inventive concept sufficient to transform the abstract idea into a patent-eligible application. *See* Final Act. 3; *see also id.* at 2; Ans. 3–4.

Appellants argue that the claims recite an inventive concept because the claims are novel and non-obvious over the prior art. App. Br. 31–32; *see also* Reply Br. 5. Appellants’ argument is not persuasive, at least because novelty or non-obviousness does not automatically render the claimed subject matter patent-eligible. “Groundbreaking, innovative, or even brilliant discovery does not by itself satisfy the § 101 inquiry.” *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107, 2117 (2013). Although the second step in the *Alice* framework is termed a search for an “inventive concept,” the analysis is not an evaluation of novelty or non-

obviousness, but rather, a search for “an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [patent-ineligible concept] itself.’” *Alice Corp.*, 134 S. Ct. at 2355 (citation omitted). A novel and nonobvious claim directed to a purely abstract idea is, nonetheless, patent-ineligible. *See Mayo*, 566 U.S. at 90. *See also Diamond v. Diehr*, 450 U.S. 175, 188–89 (1981) (“The ‘novelty’ of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within . . . categories of possibly patentable subject matter.”).

Appellants have not persuaded us that the Examiner incorrectly determines at step one that the claims are directed to an abstract idea, or at step two that the elements and combination of elements do not recite significantly more than the abstract idea. Therefore, we sustain the Examiner’s rejection under 35 U.S.C. § 101 of independent claim 32.

Independent Claim 38

Independent claim 38 is a system claim for “processing a payment transaction” comprising a server computer and a communications device. The server computer is in communication with the communications device and is configured to perform a series of seven steps: (1) process the payment transaction, (2) process the authorization message, (3) generate the transaction alert message, (4) send the transaction alert message to the communications device, (5) receive a request for additional information regarding the payment transaction, (6) process the request to determine additional information, and (7) provide the additional information to the communications device. The communications device is associated with the consumer and is configured to perform the following series of steps: (1) receive the transaction alert message, (2) receive an input for additional information from the consumer, (3) send a request for the additional information regarding the payment transaction to the server computer, (4) receive a response message comprising the additional information, and (5) provide the additional information to the consumer.

Appellants contend that “claim 38 recites features very similar to those recited by claim 32.” App. Br. 33. We agree. Claim 38 is presented in system format and recites a server computer and communications device configured to implement the same abstract idea described with reference to claim 32. As such, the same reasoning for determining claim 32 is patent-ineligible applies to claim 38.

Appellants argue that the arguments presented with respect to claim 32 apply with equal force to claim 38. *Id.* But we are not persuaded by these arguments for the reasons described above with reference to claim 38.

Appellants further argue that claim 38 is analogous to *DDR Holdings* and USPTO Example 21, claim 2, which is modeled after the claims in *DDR Holdings*. App. Br. 33–35. Specifically, Appellants charge that “the claims of *DDR Holdings* were held patent eligible because they solved an [I]nternet-centric challenge.” *Id.* at 34. In this regard, Appellants attempt to draw a parallel to the *DDR Holdings* claims by noting that claim 38 recites a “relationship, interaction, and operation of the system including a server computer and client device to solve a problem necessarily rooted in computer technology.” *Id.* at 35.

But in *DDR Holdings* the Federal Circuit “caution[ed] . . . that not all claims purporting to address Internet-centric challenges” are patent eligible, distinguishing the patent-ineligible claims of *Ultramercial*. *DDR Holdings*, 773 F.3d at 1258 (citing *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709, 714 (Fed. Cir. 2014)). In *Ultramercial* the Federal Circuit rejected the argument that claims “directed to a specific method of advertising and content distribution that was previously unknown and never employed on the Internet before” were patent-eligible. *Ultramercial*, 772 F.3d at 714. Instead, the Federal Circuit determined that the claims were patent-ineligible because they “broadly and generically claim ‘use of the Internet’ to perform an abstract business practice (with insignificant added activity).” Like the claims in *Ultramercial*, claim 38 broadly and generically claims communications between a server computer and communications device to perform the abstract process of obtaining additional information regarding a payment transaction. *See buySAFE*, 765 F.3d at 1355 (“That a computer receives and sends the information over a network—with no further specification—is not even arguably inventive.”).

Appellants have not persuaded us of that the Examiner incorrectly determines at step one that claim 38 is directed to an abstract idea, or at step two that the elements and combination of elements do not recite significantly more than the abstract idea. Therefore, we sustain the Examiner's rejection under 35 U.S.C. § 101 of independent claim 38.

Dependent Claims 33 and 39

Claim 33 depends from claim 32 and further recites that receiving the input for additional information from the consumer participating in the payment transaction comprises receiving a search term entered into a data entry field that is included with the transaction alert message. Claim 39 depends from claim 38 and recites language similar to claim 33.

Appellants argue that the additional limitation “allows consumers to identify a specific interest by providing a search term into a data input through the communications device and to obtain additional information from the server computer that was not included in the authorization message or the transaction alert message.” App. Br. 35. However, the additional limitation merely provides for receiving data from a data entry field, which is a well-understood function.

Therefore, we sustain the Examiner's rejection of claims 33 and 39 under § 101.

Dependent Claims 34–37 and 40

Appellants argue dependent claims 34–37 and 40 are patent-eligible at least by virtue of their dependence from independent claims 32 and 38. App. Br. 36. Therefore, we also sustain the Examiner's rejection of those claims under § 101.

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Application 14/203,382

DECISION

We AFFIRM the rejection of claims 32–40 under 35 U.S.C. § 101.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a).

AFFIRMED